

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other				Local Government Name		County	
Audit Date		Opinion Date		Date Accountant Report Submitted to State:			

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☐ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☐ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☐ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☐ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☐ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☐ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☐ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			
Reports on individual federal financial assistance programs (program audits).			
Single Audit Reports (ASLGU).			

Certified Public Accountant (Firm Name)				
Street Address		City	State	ZIP Code
Accountant Signature			Date	

WAYNE HOUSING COMMISSION

Financial Statements

December 31, 2003

Audited by

JOHN C. DIPIERO, P.C.

Certified Public Accountant

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This discussion and analysis of the Wayne Housing Commission's financial performance should be read in conjunction with the auditor's opinion letter and the financial statements.

### Entity-Wide Statements

The combined financial statements show, in one place, all the Commission's operations. Our statements are prepared on the accrual basis of accounting, which is similar to that used by most businesses. Under this method, all revenues and expenses conducted with the fiscal year are taken into account even if the cash involved has not actually been received or paid. The Financial Data Schedule included within the audit report contains all the programs of the Commission.

### Fund Statements

The Financial Data Schedule reports the Commission's operations in more detail. The Commission reports all its activities using Proprietary Fund types. These funds are used to show activities that operate more like commercial enterprises. The Financial Data Schedule is organized by the government Catalogue of Financial Domestic Assistance (CFDA) numbers.

### Entity-Wide Financial Highlights

The Commission was awarded the following Federal Assistance:

	<u>Year 2002</u>	<u>Year 2003</u>
Operating Subsidies	\$112,798	\$87,771
Capital Fund Assistance Program	\$109,624	\$90,198

The Commission's cash position decreased during the year; our fixed assets after depreciation were unchanged, and Net Assets decreased. The following represents the aforementioned positions:

Cash & Cash Equivalent	\$104,365	\$108,621
Fixed Assets, Net of Depreciation	\$1,068,395	\$1,025,584
Net Assets	\$1,163,009	\$1,094,079

The main reason for the minor decrease in the lower level of funding under the Capital Fund Program; the Commission was awarded the 2003 Capital Fund Grant in September 2003 in the amount of \$90,198. The remaining \$17,976 was awarded in February 2004.

The Commission provided the following housing for low to moderately low income families.

Low Rent Public Housing	76	76
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### **General Fund Budgetary Highlights**

The Commission approved an operating budget on December 11, 2002 for the fiscal year ending December 31, 2003 we had no occasion to have to amend the budget during the year.

### **Entity Wide Capital Assets**

At the close of the fiscal year, the Commission had \$2,996,832 in capital assets with accumulated depreciation of \$(1,919,953)

We had the following projects during the year:

Stained Cedar Shake Siding, painted trim and stairwells, and placed vinyl cladding on the soffits at 10 senior buildings \$51,225.00

### **Commission's Position**

No significant change occurred in the Commission financial position during the year. We plan on using our capital improvement to replace landscaping at all sites and replace heating zone valves at 36 senior units.

The Commission expects to continue to provide safe, sanitary and decent housing for the low and moderately low income families.

Sincerely

Bridget Piasecki, PHM  
Executive Director

***John C. DiPiero, P.C.***

Certified Public Accountant

P. O. Box 378  
Hemlock, Michigan 48626  
Tel / Fax (989) 642-2092

Board of Commissioners  
Wayne Housing Commission  
4001 S Wayne Road  
Wayne, Michigan 48184

### **Independent Auditor's Report**

I have audited the financial statements listed in the Table of Contents of the Wayne Housing Commission as of and for the year ended December 31, 2003. These financial statements are the responsibility of the Housing Commission's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Wayne Housing Commission as of December 31, 2003, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principals.

In accordance with Government Auditing Standards, I have also issued my report dated August 4, 2004 on my consideration of the Wayne Housing Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

### **Required Supplemental Information**

The Management's Discussion and Analysis and the required supplemental information are not a required part of the basic financial statements but is supplemental information required by the Governmental Auditing Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, I did not audit the information and express no opinion on it.

### **Combining Financial Statements**

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, if fairly stated in all material respects in relation to the financial statements taken as whole.

Certified Public Accountant

August 4, 2004

WAYNE HOUSING COMMISSION  
Combined Statement of Net Assets  
December 31, 2003

**ASSETS**

**C-3065**

CURRENT ASSETS

Cash	\$	108,621	
Accounts Receivable- Tenants (net of allowance of \$ 4)		182	
Inventory- (net of allowance of \$ 250)		<u>4,750</u>	
 Total Current Assets	\$		113,549

NON CURRENT ASSETS

Land	\$	58,641	
Buildings		1,144,839	
Furniture, Equipment- Dwelling		40,112	
Furniture, Equipment- Administrative		77,322	
Leasehold Improvements		1,743,958	
Accumulated Depreciation		<u>(2,039,288)</u>	
 Total Non Current Assets			<u>1,025,584</u>

<u>TOTAL ASSETS</u>	\$	<u>1,139,133</u>
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WAYNE HOUSING COMMISSION  
Combined Statement of Net Assets  
December 31, 2003

LIABILITIES & EQUITY

C-3065

LIABILITIES:

CURRENT LIABILITIES

Accounts Payable	\$	670
Accrued Payroll		6,862
Compensated Absences- current		6,927
Tenants Security Deposit		16,796
Accounts Payable- Other Governments		11,594
Deferred Revenue		<u>2,205</u>
<u>Total Current Liabilities</u>	\$	45,054

NET ASSETS:

Invested in Capital Assets, net of Related Debt	\$	1,025,584
Retained Earnings		<u>68,495</u>
<u>Total Net Assets</u>		<u>1,094,079</u>

TOTAL LIABILITIES & EQUITY \$ 1,139,133

The Accompanying Footnotes are an Integral Part of the Financial Statements

WAYNE HOUSING COMMISSION  
Combined Statement of Revenues, Expenses, and Changes in Net Assets  
For the year ended December 31, 2003

OPERATING REVENUES

Tenant Rental Revenue	\$ 160,098	
HUD Grants	198,178	
Interest Income	124	
Other Income	<u>3,068</u>	
 <u>Total Operating Revenue</u>		 \$ 361,468

OPERATING EXPENSES

Administrative	\$ 148,335	
Utility Expenses	29,392	
Ordinary Maintenance	110,323	
General Expenses	<u>25,176</u>	
 <u>Total Operating Expenses</u>		 <u>313,226</u>
 <u>Operating Income (Loss)</u>		 \$ 48,242

NONOPERATING REVENUES (EXPENSES)

Depreciation Expense		<u>(119,335)</u>
 <u>Change in Net Assets</u>		 \$ (71,093)
 Total Net Assets- Beginning		 <u>1,165,172</u>
Total Net Assets- Ending		\$ <u>1,094,079</u>

The Accompanying Footnotes are an Integral Part of the Financial Statements

WAYNE HOUSING COMMISSION  
Combined Statement of Cash Flows  
For the Year Ended December 31, 2003

Business Type Activities

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers	\$ 160,151
Payments to Suppliers	(151,597)
Payments to Employees	(137,630)
HUD Grants	198,178
Other Receipts (Payments)	<u>3,192</u>
Net Cash Provided (Used) by Operating Activities	\$ 72,294

CASH FLOWS FROM CAPITAL AND  
RELATED FINANCING ACTIVITIES

Purchases of Capital Assets	<u>(68,040)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 4,254
Balance- Beginning of Year	<u>104,367</u>
Balance- End of Year	\$ <u>108,621</u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET  
CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Net Profit or (Loss)	\$ (71,093)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
Depreciation	119,335
Changes in Assets (Increase) Decrease:	
Receivables (Gross)	14,696
Interfund Due From	14,653
Changes in Liabilities Increase (Decrease):	
Accounts Payable	670
Accrued Payroll	357
Accrued Compensated Absences	6,927
Security Deposits	169
Accounts Payable-Other Governments	312
Deferred Revenue	921
Interfund Due To	<u>(14,653)</u>
Net Cash Provided by Operating Activities	\$ <u>72,294</u>

The Accompanying Notes are an Integral part of the Financial Statements

WAYNE HOUSING COMMISSION  
Notes to Financial Statements  
December 31, 2003

NOTE 1: Summary of Significant Accounting Policies

**Reporting Entity-**

Wayne Housing Commission, Wayne, Michigan, (Commission) was created by ordinance of the city of Wayne. The Commission signed and Annual Contributions Contract (ACC) with the U.S. Department of Housing and Urban Development (HUD). The ACC requires the Commission to provide safe, sanitary and decent housing for qualifying senior and low income families.

The Commission consists of the following:

MI 129	Low rent program	76 units
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In determining the reporting entity, the manifestations of oversight, as defined by the Governmental Accounting Standards Board (GASB), Cod. sec 2100, were considered. The criteria include the following:

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14 is the "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is legally separate entity for which the primary government is financially accountable. The criterion of financial accountability are the ability of the primary government to impose its will upon the potential component unit. Based on the above, there are no component units.

These criteria were considered in determining the reporting entity.

**Basis of Presentation-**

The accounts of the Commission are organized by the Catalog of Federal Domestic Awards (CFDA) numbers, in the Financial Data Schedule; each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, net assets, revenues, and expenditures, or expenses, as appropriate. Commission resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

## Notes to Financial Statements- continued

### Proprietary Funds

Enterprise Funds- Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, management control, accountability, or other purposes.

### Basis of Accounting-

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Proprietary Funds are accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Prior to October 1, 1998, the Commission followed a basis of accounting consistent with the cognizant agency, the U. S. Department of Housing and Urban Development, HUD. Those practices differed from Generally Accepted Accounting Principals (GAAP); however, for all fiscal years beginning on or after October 1, 1998, HUD has required adherence to GAAP. Therefore, the current and future financial presentations will follow GAAP and the Financial Accounting Standards Board (FASB) pronouncements issued subsequent to November 30, 1989.

### Budgetary data-

Formal budgetary integration is employed as a management control device during the year in proprietary type funds. Budgets for funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) for that fund type. The Commission adopts a budget annually, and amends the budgets as it feels necessary in order to maintain financial integrity.

### Assets, Liabilities, and Net Assets-

#### Deposits & Investments

Deposits are stated at cost; the carrying amount of deposits is separately displayed on the balance sheet as cash and cash equivalents; investments are stated at cost which approximates market.

## Notes to Financial Statements- continued

### Cash Equivalents

Cash Equivalents represent investments purchased with a three month maturity or less; investments meeting this criteria are reclassified for financial statement purposes as cash.

### Fixed Assets

The accounting and reporting treatment applied to the fixed assets are determined by its measurement focus. All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and undesignated fund balance components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations; depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Buildings and Improvements	40 years
Equipment	3-10 years

### Compensated Absences

Compensated absences are for unused vacation days, personal leave days, and accumulated compensation time, based on total accumulation of time at current rates of compensation. Financial Accounting Standards Board (FASB) # 43 establishes proper generally accepted accounting principles (GAAP) concerning such accruals. The following criteria must be met:

- 1) Employee's right to compensation is attributable to past performance.
- 2) The right to compensation is vested or accumulates.
- 3) It is probable that the compensation will be paid.
- 4) The amount is reasonably estimable.

The Commission accrued a percentage of the above based on an analysis of past retirements and current potential using the above criteria.

The estimated portion of the liability for vested leave benefits attributable to the Commission is recorded as an expenditure and liability in each of the respective programs.

Notes to Financial Statements- continued

Note 2: Cash and Investments.

The composition of cash and investments are as follows:

Cash:

General Fund Checking Accounts	\$ 64,599
Petty Cash & Change Fund	400
Investments, classified as cash equivalents	<u>43,622</u>

Financial Statement Total	\$ <u>108,621</u>
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Investments:

Money Market Account	\$ 43,622
Reclassified as cash equivalents, above	<u>(43,622)</u>

Financial Statement Total	\$ <u>0</u>
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Generally the Commission classifies cash and investments with the following risk assumptions:

- 1) Insured or registered in the Commission's name.
- 2) Uninsured or unregistered, held by a broker in the Commission's name.
- 3) Uninsured or unregistered, held by a broker not in the Commission's name.

	<u>Categories</u>			Carrying Amount	Market Value
	<u>1</u>	<u>2</u>	<u>3</u>		
Cash:					
Checking A/C's	\$ 64,599	\$	\$	\$ 64,599	\$ 64,559
Petty Cash	400			400	400
Money Market	<u>43,622</u>			<u>43,622</u>	<u>43,622</u>
Total Cash	\$ 108,621	\$	\$	\$ 108,621	\$ 108,621

Note 3: Inventory

Inventory consist of the following:

Materials Inventory	\$ 5,000
Less: Allowance for Obsolescence	<u>(250)</u>
Financial Statement Total	\$ <u>4,750</u>

Notes to Financial Statements- continued

Note 4: Fixed Assets and Depreciation.

Property and equipment, are stated at cost and depreciated using the straight-line method over the estimated useful lives of the assets. Generally buildings and improvements are written off over 40 years; furniture and equipment three to seven years.

The following represents the changes in fixed assets for the year:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>End of Year</u>
Land	\$ 58,641	\$	\$	\$ 58,641
Buildings	1,144,839			1,144,839
Furniture & Equipment-Dwellings	40,112			40,112
Furniture & Equipment-Admin	72,148	5,174		77,322
Leasehold Improvements	<u>1,681,092</u>	<u>62,866</u>		<u>1,743,958</u>
	\$ 2,996,832	\$ 68,040	\$	\$ 3,064,872
Less Accumulated Depreciation	<u>1,919,953</u>	<u>119,335</u>		<u>2,039,288</u>
	\$ <u>1,076,879</u>	\$ <u>(51,295)</u>	\$	\$ <u>1,025,584</u>

Note 5: Other Current Liabilities.

Other current liabilities consist of the following:

Accrued Wages & Payroll Expense	\$ 6,862
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Note 6: Pension Plan

The Commission participates in the city of Wayne retirement plan for eligible full time employees. The Commission contributes a percentage of the employees compensation to the plan and recognizes an expense when paid. Plan assets and statistical information concerning the pension plan are contained in a separate report issued by the City.

Note 7: Reclassifications.

Certain prior years' balances have been reclassified to conform to the current year's presentation.



Notes to Financial Statements- continued

Note 8: Combining Financial Data Schedules.

The totals in the combining Balance Sheet and combining Income Statement represent unconsolidated totals. Under principals of consolidation, inter fund transactions would be eliminated; the totals in the combined statements follow the financial data schedule format recommended by the U.S. Department of Housing and Urban Development's Real Estate Assessment Center (REAC).

Note 9 :Segment Information for Enterprise Funds.

The Commission maintains an enterprise fund; segment information for the year ended December 30, 2003, is as follows:

Operating Revenue	\$	661,648
operating Income		48,242
Non Operating Revenue (Expenses)		
Depreciation Expense		(119,335)
Net Profit (Loss)		(71,093)
Non Current Assets (net)		1,025,584
Total Assets		1,139,133
Retained Earnings		68,495

Note 10:Risk Management

The Commission is exposed to various risks of loss related to property loss, torts, error and omissions and employee injuries. The Commission purchases commercial insurance to cover the risks of these losses. The Commission had the following insurance in effect during the year:

<u>Types of Policies</u>	<u>Coverage's</u>
Property	\$ 3,500,000
General Liability	1,000,000
Dishonesty Bond	1,000,000
Worker's Compensation and other riders:	
Coverage's required by the	
State of Michigan	

WAYNE HOUSING COMMISSION  
Status of Prior Audit Findings  
December 31, 2003

The prior audit of the Wayne Housing Commission for the period ended December 31, 2002, contained no audit findings.

WAYNE HOUSING COMMISSION  
Report on Compliance and on Internal Control over  
Financial Reporting Based on an Audit of Financial  
Statements Performed in Accordance with  
Government Auditing Standards  
December 31, 2003

I have audited the financial statements of Wayne Housing Commission as of and for the year ended December 31, 2003, and have issued my report dated August 4, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As a part of obtaining reasonable assurance about whether Wayne Housing Commission's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, I do not express such an opinion. However, the results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards; refer to the section on findings and questioned cost.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Wayne Housing Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. There are no reportable conditions or material weaknesses concerning financial reporting.

This report is intended for the information of management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Certified Public Accountant

August 4, 2004

WAYNE HOUSING COMMISSION  
Schedule of Findings and Questioned Cost  
December 31, 2003

Summary of Auditor's Results:

Programs:

	<u>Major Program</u>	<u>Non Major Program</u>
Low income Public Housing		X
Capital Projects Funds		X

Opinions:

General Purpose Financial Statements-

Unqualified

Material weakness(es) noted	<u>        </u> Yes	<u>  X  </u> No
Reportable condition(s) noted	<u>        </u> Yes	<u>  X  </u> No
Non Compliance material to financial statements noted	<u>        </u> Yes	<u>  X  </u> No

Report on compliance for Federal programs-

Qualified

Material weakness(es) noted	<u>        </u> Yes	<u>  X  </u> No
Reportable condition(s) noted	<u>  X  </u> Yes	<u>        </u> No
Non Compliance material to financial statements noted	<u>        </u> Yes	<u>  X  </u> No

Thresholds:

Dollar limit used to determine type A & B programs- \$ 300,000

The Auditee did qualify as a low risk auditee.

<u>Name of Federal Program</u>	<u>Major Program</u>	<u>Questioned Costs</u>	<u>Audit Finding Number</u>
Low Rent Public Housing	No	None	03-1
Capital Funds Programs	No	None	N/A

Schedule of Findings & Questioned Cost  
December 31, 2003

The following finding of the Wayne Housing Commission, for the year ended December 31, 2003, was discussed with the Executive Director, Ms. Bridget Piasecki, in an exit interview conducted August 4, 2004.

Finding 03-1: P.I.L.O.T calculated Incorrectly

The Commission used budgeted figures to compute the Payment in Lieu of Taxes, (PILOT) rather than actual at year end; in addition, the Commission failed to reduce the PILOT as authorized under Public Act 338 of 1996.

Recommendation

The PILOT was miscalculated last year because of the same reasons, however, the PILOT was recalculated by the auditor and the fee accountant and director were informed of the correct method; however, this year the same situation exists. Therefore, the corrective action is being referred in this finding.

I recommend the Commission correctly calculate PILOT using actual rent and utilities and apply Public Act 338 of 1996.

Reply

The Director and fee accountant will correctly calculate PILOT using actual rent and utilities and apply Public Act 338 of 1996.